

MANAGEMENT SERVICES AGREEMENT

This Restated Management Services Agreement (the “**Agreement**”) is made and entered into as of the First day of July, 2022 by and between **NEW PARADIGM FOR EDUCATION INC. (“NPFE”)**, a Michigan corporation formed pursuant to Michigan Public Act 327 of 1931, as amended, and **MUSKEGON HEIGHTS PUBLIC SCHOOL ACADEMY SYSTEM** (the “**System**”), a Michigan public school academy organized under the Revised School Code (the “**Code**”).

WHEREAS, the System is a public school academy organized and operated pursuant to Part 6A of the Code; and

WHEREAS, the System operates under the direction of the Muskegon Heights Public School Academy System Board of Directors (“**System Board**”); and

WHEREAS, pursuant to a Contract to Charter a Public School Academy (the “**Contract**”), dated July 1, 2022 and issued to the System by The Board of Education of the School District of the City of Muskegon Heights (“**The District Board**”) as the authorizing body (“**Authorizer**”), the System Board is authorized to organize and operate a public school academy in the State of Michigan pursuant to Part 6A of the Code; and

WHEREAS, NPFE is a Michigan corporation which will provide educational, operational and management services to facilitate the implementation of the System’s obligations under the contract with The District Board; and

WHEREAS, NPFE through the educational and managerial services it provides, will implement a comprehensive educational program and management methodologies for the System; and

WHEREAS, the System Board desires to engage NPFE to provide certain services related to the System’s educational program and operations; and

WHEREAS, the System Board, on behalf of itself and the System, and NPFE each warrant to the other that there are no pending actions, claims, suits or proceedings, to their knowledge, threatened or reasonably anticipated against or affecting them, which if adversely determined, would have a material adverse effect on their respective abilities to perform their obligations under this Agreement.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

ARTICLE I CONTRACTUAL RELATIONSHIP

A. Authority. The System has been granted a Contract by The District Board to organize and operate a public school academy pursuant to the terms and conditions set in the Contract and related attachments. The System Board is authorized to enter into binding legal agreements

with persons or entities as necessary for the operation, management, financing, and maintenance of the public school academy, provided that no provision of such a contract shall be effective to the extent it conflicts with the System Board's statutory requirements and duties or the terms of the Contract.

B. Contract. NPFE agrees to perform its duties and responsibilities under this Agreement in a manner that is consistent with the System's obligations under the System's Contract issued by The District Board. The provisions of the System's Contract shall supersede any competing or conflicting provisions contained in this Agreement.

C. Status of the Parties. NPFE is a Michigan non-profit corporation, and it is not a division or part of the System. The System is a body corporate and governmental entity authorized under the Code, and it is not a division or part of NPFE. The relationship between NPFE and the System is based solely on the terms of this Agreement. Except as it regards to indemnification agreed to between the parties as described herein, NPFE will be solely responsible for its acts and the acts of its agents, employees and subcontractors. The parties to this Agreement intend that the relationship between them created by this Agreement is that of an independent contractor. No employee of NPFE shall be deemed to be an agent or employee of the System unless specifically provided for by resolution of the System Board. Notwithstanding the foregoing, the System and NPFE agree as follows:

1. The System Board may by resolution designate an officer or employee of NPFE, as may be mutually agreed upon by NPFE and the System, to serve as the chief administrative officer ("CAO") of the System and to perform the duties of the CAO under the Uniform Budgeting and Accounting Act, MCL 141.421 *et seq.*, and to provide oversight of other contractors of the System, as designated by the System Board from time to time.
2. Employees of NPFE, to the extent they have a legitimate educational interest in so doing, shall be designated as "School Officials" and have authorized access to educational records under 20 U.S.C. § 1232g, the Family Educational Rights and Privacy Act ("FERPA"), provided the System disseminates the notice required pursuant to FERPA and its related regulations.
3. NPFE, its directors, officers, and employees may be designated by the System for other purposes only by a written resolution of the Board.

D. Obligation of the Board. The System Board shall be ultimately responsible for its fiscal, academic and governance policies, and the System Board shall exercise good faith in considering the recommendations of NPFE and the System administration, including, but not limited to, NPFE recommendations concerning the educational program, operations, policies, rules, regulations, procedures, curriculum, budgets and fund raising. It shall be the responsibility of the System Board to authorize payment of budgeted costs and expenses and other obligations as approved by the System Board.

ARTICLE II TERM

This Agreement shall become effective as of July 1, 2022 and shall terminate on June 30, 2027.

ARTICLE III FUNCTIONS OF NPFE

A. Responsibility. Under the oversight of the System Board, NPFE shall be responsible for all of the management, operation, administration, and education program which is powered by Elite Educational Resource at the System, by providing certain services directly to the System, subcontracting for certain services, and overseeing other contractors of the System. Such functions shall be carried out in a manner and form customary in the public school academy industry and include, but are not limited to:

1. Implementation and administration of the Educational Program (as defined below);
2. Curriculum improvement services;
3. Student environment management services;
4. Management of Community outreach and marketing services;
5. Implementation of an ongoing public relations strategy, developed by NPFE with input from the System Board, for the development of beneficial and harmonious relationships with other organizations and the community;
6. Oversight of Budget preparation and financial management services, such as accounting and bookkeeping services, financial and operational reports, in accordance with the Budget set by the System's Board;
7. Accounts payable management;
8. Administration (by way of liaising with the carrier's designated representative or counsel appointed by the carrier) of any insurance claims involving personal injury or property loss;
9. Management of the security of the facility and confidential information files maintained by and in the possession of NPFE;
10. Selection of instructional and non-instructional material, equipment and supplies (within the budget set by the System Board) and the establishment of an inventory system of all equipment;
11. Food service management;
12. Transportation management;
13. Management of Facilities maintenance, facilities construction and/or renovation;
14. Designate a contact person to interface with the Authorizer's compliance officer.
15. Oversee the preparation of required Authorizer, local, state and federal reports with prior review and approval by the System Board.
16. Management of Computer services including operational and functional responsibilities;
17. Information and technology system development and management;
18. Management of all facility operations of the school building, including but not limited to the installation of technology integral to school design that has been, janitorial contract management, building repair oversight, and compliance with all applicable laws;

19. Preparation of grant applications and reports for grants received as well as special programs;
20. Using best efforts to secure funding sources for special programs and facility improvements as requested by the System Board;
21. Management of extra-curricular and co-curricular activities and programs
22. Assist the System Board in the preparation of strategic plans for the continuing educational and financial benefit of the System;
23. Preparation, enforcement and administering the enforcement at the Board level of the System Board's parent and student codes of conduct;
24. Overseeing the preparation of System Board meeting materials, agendas, and notices;
25. Human resource management, benefits administration and payroll processing;
26. Administering reporting compliance, which includes ensuring all reports, documents, etc. are filed on-time with the appropriate entities;
27. Management of Special education services;
28. Management of cash flow reserves in accordance with the System's budget, revenues and expenditures, and assisting with short term borrowing;
29. Recommending and acquiring textbooks;
30. Recommendation of policies governing operations of the System and implementation of policies as approved by the System Board; and
31. Management and implementation of any other function necessary or expedient for the administration of the System within the policies and actions of the System Board

B. Educational Program. NPFE shall implement the educational goals and programs set forth in the Contract, including, but not limited to, methods of pupil assessment, admission policy and criteria, school calendar and school day schedule, age and grade classifications or pupils to be enrolled, and methods to be used to monitor performance towards targeted educational outcomes ("**Educational Program**"). In the event that NPFE determines that it is advisable to modify the Educational Program, NPFE may request permission from the System Board. NPFE will provide written notification to the System Board specifying the changes it recommends and the reasons for the proposed changes if it desires to change the Educational Program. Notwithstanding the foregoing, NPFE shall have flexibility in the implementation of the Educational Program so long as the program as described in the Contract is followed. NPFE shall provide the System Board with written reports on a periodic basis, not less than quarterly, specifying the level of achievement of each of the System's educational goals as set forth in the Contract and detailing its plan for meeting any educational goals that are not being attained.

C. Subcontracts. It is anticipated that NPFE will utilize subcontractors to provide some of the services it is required to provide to the System, including, but not limited to, academic program which is powered by Elite Educational Resource, transportation, food service, System compliance, special education services, professional development, and human resources. NPFE shall not subcontract the management or oversight of these programs. System Board approval of subcontracts is not required unless the costs for these subcontracted services exceeds the funds appropriated for that purpose in the System's approved budget, or the costs exceed the contract amount required to be approved by the System Board by the System's contractual obligations to The District Board. Notwithstanding anything herein to the contrary, NPFE cannot pass through any subcontractor cost that is covered by the Fee.

D. Place of Performance. Instruction services other than field trips and activities will normally be performed at System facilities. NPFE may perform functions other than instruction, such as purchasing, professional development, and administrative functions at off-site locations, unless prohibited by the Contract or applicable law. The System shall provide NPFE with the necessary office space at the System site to perform all services described in this Agreement. All student records and books of the System, as well as copies of minutes of both regular and executive sessions of the System Board and all required compliance materials (“**System Documents**”) may be maintained at the central offices of NPFE, archived at offsite storage in compliance with state and federal retention laws, or maintained at the System site at the System’s sole expense. Neither NPFE nor the System shall unreasonably restrict the other party or its agents and subcontractors’ access to such System Documents.

E. Acquisitions. All acquisitions made by NPFE for the System, including, but not limited to, instructional materials, equipment, supplies, furniture, computers and other technology, shall be owned by and remain the property of the System. NPFE and its subcontractors will comply with Section 1274 of the Code and the System Board’s purchasing policy as if the System were making these purchases directly from a third party supplier and NPFE will not include any markup amounts or fees or charges to the cost of equipment, materials and supplies purchased from third parties when it seeks reimbursement for the cost of these acquisitions from the System Board.

F. Pupil Performance Standards and Evaluation. NPFE is responsible for and accountable to the System Board for the performance of students who attend the System. NPFE shall implement pupil performance evaluations which permit evaluation of the educational progress of each System student, using measures of student and school performance required by the Contract or the Code and such additional measures as shall be mutually agreed between the System Board and NPFE that are consistent with the Contract.

G. Student Recruitment. NPFE shall be responsible for the lawful recruitment and enrollment of student’s subject to the provisions of the Contract and applicable law. Students shall be enrolled in accordance with the procedures set forth in the Contract and in compliance with applicable law. NPFE shall follow all applicable System policies and procedures regarding student recruitment, enrollment, and lottery management, and shall assist the System with the publication of appropriate public notices and scheduling open houses.

H. Student Due Process Hearings. NPFE shall ensure that students are provided with procedural and substantive due process in conformity with the requirements of state and federal law regarding discipline, students subject to a Section 504 Plan, special education, confidentiality and access to records, to the extent consistent with the System’s own obligations. The System Board shall retain the right to provide due process as required by law and to determine whether any student will be subject to a long term suspension (greater than 10 days) or expulsion. In addition, NPFE may assist the System Board to establish student discipline policies and procedures.

I. Legal Requirements. NPFE shall provide the Educational Program consistent with all applicable federal, state, and local requirements, and the requirements imposed under the Code and Contract.

J. Rules and Procedures. The System Board shall adopt rules, regulations and procedures applicable to the System and NPFE is directed to enforce the rules, regulations and procedures adopted by the System Board. NPFE shall assist the System Board in its policy making function by recommending the adoption of reasonable rules, regulations and procedures applicable to the System.

K. School Year and School Day. The school year and the school day shall be as provided in the Contract and as defined annually by the System Board and with recommendations from NPFE.

L. Authority. NPFE shall have the authority and power necessary to undertake its responsibilities described in this Agreement, except in cases wherein such power may not be delegated by law nor approved by the System Board.

M. Miscellaneous Duties of NPFE. NPFE agrees to perform its duties and responsibilities under this Agreement in a manner that is consistent with the System's obligations under the Contract and applicable law, including, but not limited to, the following (terms capitalized and not defined for purposes of this Section III-M only shall have the meaning ascribed in the Contract):

- (i) All of the System's financial and other NPFE-related records related to the System will be made available to the System's independent auditor and that NPFE's staff shall cooperate with said auditor. NPFE shall not select or retain the System's auditor but may help in soliciting proposals for the System's Board to review.
- (ii) NPFE certifies that there shall be no markup of costs for supplies, materials or equipment procured by NPFE on the System's behalf and all supplies, materials and equipment procured for the System by NPFE shall be inventoried by an acceptable method of inventory. Further, an inventory of System equipment shall be maintained so that it can be clearly established which property belongs to the System.
- (iii) Upon termination, NPFE and any other educational service provider with which it has contracted on behalf of the System ("**ESP**") shall work for a specified period of time to transition to a new ESP. There may be a fee set forth for this service. All contracts entered into by NPFE with another ESP for services at the System shall provide as such.
- (iv) Upon termination, all previously earned fees, from the beginning of the fiscal year but not yet paid and due to NPFE will become due and payable, and such fees, if any, will be reconciled to the close out of the then current month.
- (v) Upon termination, NPFE, and any ESP shall, without charge (a) close the books on the then-current fiscal month; (b) organize and prepare the System's records for transition to the new ESP; (c) organize and prepare student records for transition to the new ESP; and (d) provide for the orderly transition of employee compensation and benefits to the new ESP without disruption to staffing. All contracts entered into by NPFE with another ESP for services at the System shall provide as such.

- (vi) NPFE, and any other ESP, may not include in its contracts with staff assigned to the System (including by way of example and not limitation, teachers administrators, counselors and the like) any noncompeting agreements or restrictive covenants of any nature whatsoever. All contracts entered into by NPFE with another ESP for services at the System shall provide as such.
- (vii) The System Board and NPFE may not amend the management contract without the prior non-disapproval consent of The District Board Designee. Whether or not substantial, the System shall submit to The District Board Designee all amendments to the management contract prior to the execution of such amendment.
- (viii) NPFE hereby agrees, and shall provide in any contract with an ESP on behalf of the System, that the ESP agrees to include in such contract the indemnification of The District Board language set forth in Section X(E).
- (ix) NPFE will conduct or oversee the conducting of criminal background and unprofessional conduct checks required by the law applicable to employees and contractors of a public school for all personnel and contractors assigned to work at a System site who would have to have been so checked had they been employed or contracted directly by the System. NPFE shall so provide in any contract it enters into with an ESP on behalf of the System and NPFE will annually certify its compliance with the requirements of this provision, and, upon request, will provide copies to the System or its designee of all background and unprofessional conduct checks performed.
- (x) The provisions of the Contract shall supersede any competing or conflicting provisions contained in this Agreement. NPFE will not act in a manner that will cause the System to be in material breach of the Contract. In the event that NPFE does not cure such breach within ninety days or the timeframe set by The District Board, whichever is shorter, such action by NPFE and subsequent failure to cure shall be considered cause to terminate this Agreement.

N. Additional Programs. The services provided by NPFE to the System under this Agreement consist of the Educational Program during the school year and the school day as set forth in the Contract, as the same may change from time to time. With prior approval of the System Board, NPFE may provide additional programs including, but not limited to, adult and community education, summer school, and other special programs. In such cases where NPFE is responsible for the cost of providing such additional programs, the System will reimburse NPFE the cost of conducting such programs if approved by the System in advance and in writing. The System may also purchase additional services from NPFE at a mutually agreeable cost.

O. Annual Budget Preparation. NPFE will provide the System Board with a proposed annual budget that shall conform to the State accounting manual and the Uniform Budgeting and Accounting Act, MCL 141.421 et seq., in a form reasonably satisfactory to the System Board and to The District Board. At a minimum, NPFE agrees to provide the following: (1) The budget shall contain object level detail and comply with public accounting standards applicable to public schools and public school academies in Michigan and required by applicable law; (2) The budget shall include anticipated revenues and projected expenses and costs reasonably associated with

operating the System and the Educational Program including, but not limited to, the projected cost of all services and educational programs provided to the System, rent and lease payments, debt service, maintenance and repairs to System facilities, supplies and furnishings necessary to operate the System, taxes, insurance premiums, utilities, professional fees, and other costs and expenses connected to the operation of the System; and (3) The proposed budget shall be submitted to the System Board for approval not later than 7 days prior to the date when the approved budget is required to be submitted to The District Board. NPFE may not make deviations from the approved budget without the prior approval of the System Board.

P. Financial Reporting. On not less than a monthly basis, NPFE shall provide the System Board with monthly financial statements not more than thirty (30) days in arrears. Financial statements shall include a balance sheet, cash flow projection, check register, and statement of revenue, expenditures and changes in fund balance, detailing the status of the budget to actual revenues and a detailed schedule of expenditures at an object level for review and approval by the System Board. A written report shall explain any variances from the approved budget, shall contain recommendations for necessary budget corrections and shall be prepared at least five (5) calendar days in advance of the System Board meeting to be available for System Board packets sent to System Board members in preparation for System Board meetings. NPFE shall provide special reports as necessary to keep the System Board informed of changing conditions.

Q. Operational Reporting. Periodically but not less than quarterly, NPFE will provide the System Board with comprehensive written reports, in a form reasonably acceptable to the System Board, detailing System operations, finances and student performance. In order to enable the System Board to monitor NPFE's educational performance and the efficiency of its operation of the System, upon the request of the System Board, NPFE will provide written reports to the System Board on any topic of System activity or operations and which are consistent with this Agreement. These special reports will be provided in a timely fashion, but not less than one (1) month after the request for the report is received by NPFE unless the System Board and NPFE mutually agree upon an extended timetable.

R. Good Conduct. NPFE, its employees, contractors and subcontractors, as representatives of the System, shall be expected to conform to the highest ethical and legal standards expected of public officials, in their dealings with the System and otherwise. Likewise, the System Board and its individual members shall be expected to conform to the highest ethical and legal standards expected of public officials in their dealings with NPFE and its agents and subcontractors.

S. Compliance with Section 503c. On an annual basis, NPFE agrees to provide the System Board with the same information that a school district is required to disclose under section 18(2) of the State School Aid Act of 1979, MCL 388.1618, for the most recent school fiscal year for which the information is available. Within thirty (30) days of receipt of this information, the System Board shall make the information available on the System's website home page, in a form and manner prescribed by the Michigan Department of Education. The defined terms in section 503c of the Code, MCL 380.503c, shall have the same meaning in this Agreement.

T. Compliance with Section 12.19 of Contract Terms and Conditions. NPFE shall make information concerning the operation and management of the System, including without limitation the information described in Schedule 4 of the Contract, available to the System as deemed

necessary by the System Board in order to enable the System to fully satisfy its obligations under Section 12.19(a) of the Contract Terms and Conditions.

ARTICLE IV OBLIGATIONS OF THE BOARD

A. Board Policy Authority. The System Board is responsible for determining the fiscal and academic policies that will govern the operation of the System, including, but not limited to, policies relative to the conduct of students while in attendance at the System or en route to and from the System and regulations governing the procurement of supplies, materials and equipment. The System Board shall exercise good faith in considering the recommendations of NPFE on issues including, but not limited to, policies, rules, regulations, procedures, curriculum and budgets subject to the constraints of law and requirements of the Contract.

B. Building Facility. The System Board is responsible for the acquisition by either purchase or lease of a building facility that complies with all of the requirements of the Contract and applicable law.

C. System Employees. The System Board may employ such employees as it deems necessary, if any. The cost to employ System employees shall be paid by the System Board. This Paragraph does not apply to individuals employed by NPFE or any entity which NPFE subcontracts with to provide services pursuant to this Agreement. NPFE employees are the sole employees of NPFE and the System does not employ and is not the joint employer of NPFE employees assigned to the System.

D. Educational Consultants. The System Board may retain an educational consultant or consultants to review the operations of the System and the performance of NPFE under this Agreement, if any. NPFE shall cooperate with the educational consultant or consultants and will provide those individuals with prompt access to records, facilities, and information as if such requests came from the full System Board. NPFE shall have no authority to select, evaluate, assign, supervise or control any educational consultant employed by the System Board. The cost to employ an educational consultant shall be paid by the System Board.

E. Legal Counsel. The System Board shall select and retain legal counsel to advise it regarding its rights and responsibilities under the Contract, this Agreement and applicable law.

F. Audit. The System Board shall select and retain the independent auditor to perform the annual financial audit in accordance with the Contract and applicable law.

G. Budget. The System Board is responsible for adopting a budget in accordance with the provisions of the Uniform Budgeting and Accounting Act, MCL 141.421 *et seq.*, that has adequate resources to fulfill its obligations under the Contract, including, but not limited to, its oversight of NPFE, the organization of the System, negotiation of the Contract and any amendments, payment of employee costs, insurance required under the Contract and this Agreement, the annual financial audit and retention of the System Board's legal counsel and consultants. In addition, the System Board is responsible for determining the budget reserve amount included as part of the System's

annual budget, for implementing fiscal policies that will assist the System in attaining the stated budget reserve amount and for approving necessary amendments to the budget to reflect necessary deviations from the adopted budget. The budget may be amended from time to time as deemed necessary by the System Board.

H. System Funds. The System Board shall determine the depository institution of all funds received by the System. All funds received by the System shall be deposited in the System's depository account. Signatories on the depository account may be System Board members and/or properly designated System Board employees or employees of NPFE as approved by the System Board. All interest or investment earnings on System deposits shall accrue to the System. The System Board shall provide System funding on a consistent and timely basis to NPFE to fulfill its obligations under this Agreement.

I. Governmental Immunity. Notwithstanding any provisions in this Agreement, the System Board shall determine when to assert, not assert, waive or not waive its governmental immunity.

J. Contract with The District Board. The System Board will not act in a manner which will cause the System to be in breach of the Contract.

K. Evaluation of the Management Company. The System Board, will review the performance of the management company on an annual basis. The review may include an assessment of the performance of the Principals or school leaders.

ARTICLE V

Reserved.

ARTICLE VI FINANCIAL ARRANGEMENT

A. School Source of Funding. As a Michigan public school academy, the primary source of funding for the Academy is State School Aid payments based upon the number of students enrolled in the Academy combined with such other payments as may be available from state and federal sources for specific programs and services.

B. Other Revenue Sources. In order to supplement and enhance the state school aid payments and improve the quality of education at the System, the System Board and NPFE, with prior System Board approval, shall endeavor to obtain revenue from other sources. In this regard:

1. The System and/or NPFE shall solicit and receive donations consistent with the mission of the System.
2. The System and/or NPFE may apply for and receive grant money, in the name of the System. NPFE shall provide advance notification to the System Board of any grant applications it intends to make and receive System Board approval for the application prior to accepting any grant.

3. To the extent permitted under the Code, and with prior System Board approval, NPFE may charge fees to students for extra services such as summer programs, after school programs and athletics, and NPFE may charge non-System students who participate in such programs.

All funds received by NPFE or the System from such other revenue sources shall inure to and be deemed the property of the System, except as otherwise agreed by the parties in writing.

C. Fee for Services. The System shall pay NPFE an annual fee as detailed below of the per pupil foundation allowance which is a component of the state school aid that the System receives, directly or indirectly, from the State pursuant to the State School Aid Act of 1979, as amended, (“SSA”) for the particular students enrolled in the System, (the “**Fee**”). Fee calculation does not include any categorical or restricted revenues, fund raising, student fees, donations or any other monies that constitutes revenue by the System. Such Fee will not preclude the payment of additional compensation if additional compensation is permitted or specified elsewhere in this Agreement or in any other agreements between the parties (“**Additional Compensation**”, and together with the Fee, the “**Management Fee**”).

Fiscal Year	Fee Percentage
2022 – 2023	13%
2023 – 2024	13%
2024 – 2025	13%
2025 – 2026	15%
2026 – 2027	15%

D. Reasonable Compensation. NPFE’s compensation under this Agreement is reasonable compensation for services rendered. NPFE’s compensation for services under this Agreement will not be based, in whole or in part, on a share of net revenues from the operation of the System.

E. Payment of Educational Program Costs. In addition to the fee described in this Section, the System shall directly pay for or reimburse NPFE for all costs reasonably incurred in providing the Educational Program at the System other than NPFE overhead costs. Such costs shall include, but shall not be limited to, curriculum materials, professional development, textbooks, library books, costs for computer and other equipment, software, supplies utilized at the System for educational purposes, services provided pursuant to subcontract, building payments, maintenance, utilities, capital improvements, costs for personnel provided at the System either by NPFE or through an entity with which NPFE subcontracts for staff, and marketing and development costs. Marketing development and personnel costs paid by or charged to the System shall be limited to those costs specific to the System program. The System Board must be informed of the level of compensation and fringe benefits provided to employees of NPFE assigned to the System. The System Board shall reimburse NPFE twice monthly for payroll costs and monthly for all other approved fees and expenses upon properly presented documentation. At its option, the System Board may advance funds to NPFE for the fees and expenses associated with the System's operation provided that documentation for the fees and expenses are provided for System Board

ratification within thirty (30) days. In paying costs on behalf of the System, NPFE shall not charge an added fee or mark-up. Any costs reimbursed to NPFE that are determined by an independent audit not to be reasonably incurred on behalf of the Educational Program of the System shall be promptly returned to the System by NPFE.

F. Other Schools. The System acknowledges that NPFE has entered into similar services agreements with other schools. NPFE shall maintain separate accounting databases for expenses incurred in the operation of the System and other schools managed by NPFE, and such accounting databases shall reflect in the System's financial records only those expenses incurred in the operation of the System. If NPFE incurs expenses that are for both the benefit of the System and other schools managed by NPFE, then NPFE shall allocate, to the extent permitted by law, such expenses among all such affected schools, including the System, on a prorated basis based upon the number of enrolled students, the number of classrooms, the number of building, the number of districts or the number of teachers at the affected schools, or on such other equitable basis as is reasonably determined by NPFE. In no event shall marketing costs incurred solely for the benefit of NPFE (and not the System) be allocated to the System.

G. Financial Reporting. The fee due to NPFE shall be calculated for each school year at the same time as the board adopts the budget for the upcoming school year and adjustments to such calculation shall occur at the same time as the State of Michigan makes adjustments to the SSA. NPFE shall receive its fee as calculated pursuant to the preceding sentence in twelve (12) installments beginning in July of each year and ending in June of each school year. Such installment amount shall be due and payable by the System within 24 hours of receipt by the System of its monthly SSA. The System agrees to electronically wire funds to NPFE's account. Other payments due and owing to NPFE shall be made by the System to NPFE in full by within 30 days of receipt of the invoice containing all supporting documentation, except payroll which is to be paid bi-monthly from draft payroll reports and reconciled before the next pay date. Failure by the System to compensate NPFE for the agreed upon fee and frequency, may constitute a direct breach of contractual responsibilities by the System, and may result in termination of all management services and any other services provided by NPFE under this Agreement as provided in Section VIII-B herein. The System acknowledges and agrees that termination by NPFE will still require the System to meet its financial obligations to NPFE as set forth in this Agreement.

H. Audit Report Information. NPFE will make all of its financial and other records related to the System and necessary for the conduct of the annual audit available to the System and the independent auditor selected by the System Board.

I. Other Financial Relationships. Any lease, promissory notes or other negotiable instruments, lease-purchase agreements or other financing agreements between the System and NPFE shall be contained in a document separate from this Agreement. NPFE does not enter this Agreement with an interest in entering into promissory notes or other financing agreements and is not expected by the System to serve as guarantor for promissory notes or other financing agreements through other lenders.

J. Access to Records. NPFE shall keep accurate financial, educational and student records pertaining to its operation of the System, together with all System financial records prepared by or in the possession of NPFE, and NPFE shall retain all of these records in accordance with applicable

state and federal requirements. Financial, educational, operational and student records that are now or may in the future come into the possession of NPFE are System property and are required to be returned by NPFE to the System upon demand, provided that NPFE may retain copies of records necessary to document the services provided to the System and its actions under the Agreement. NPFE and the System shall maintain the proper confidentiality of personnel, student and other records as required by law. All System records shall be physically or electronically available, upon request, at the System's physical facilities. The financial, educational, operational and student records pertaining to the System are public documents subject to disclosure in accordance with the provisions of applicable law. This Agreement shall not be construed to restrict The District Board's or the public's access to these records under applicable law or the Contract.

ARTICLE VII PERSONNEL AND TRAINING

A. Personnel Responsibility. The System understands and agrees that NPFE will be the employer of record of all worksite staff.

B. Principal. The System and NPFE agree that the Principal of the System will be an employee of NPFE. The System agrees that NPFE will have the authority, consistent with state law, to select and supervise the Principal. The employment contract with the Principal will be determined by NPFE. NPFE agrees that the Principal will hold all certifications required by the Code and other applicable state law. The Principal shall provide the System Board with monthly reports regarding the status of the Educational Program of the System.

C. Teachers. NPFE, shall provide the System with the necessary teachers, qualified in the grade levels and subjects required, as established by the System Board in accordance with the System Board's approved budget and Contract. The curriculum taught by the contracted teachers shall be the curriculum set forth in the Contract and developed by NPFE or its subcontractors. NPFE agrees that every teacher assigned to the System shall hold a valid teaching certificate issued by the State Board of Education in accordance with the Code, be enrolled in NPFE Alternative Certification program as approved by the Michigan Department of Education, or be credentialed as may otherwise be required or permitted by applicable law.

D. Support Staff. NPFE shall provide the System with such support staff as required by the System Board in accordance with the System Board's approved budget. The parties anticipate that such support staff may include, but is not limited to, clerical staff, administrative assistants to the Principal, accounting and finance staff, human resources staff, recruiting staff, student enrollment staff, parent engagement staff, maintenance and custodial personnel and the like.

E. Employer of Personnel. NPFE shall be the employer of record for all worksite staff. The System and NPFE understand and agree that substitute teachers and other substitute instructional staff may be provided through an authorized subcontractor as determined by NPFE.

Compensation for the worksite staff shall include salary, fringe benefits, and state and federal tax withholdings. Pursuant to the contract between NPFE and the System, NPFE shall be responsible for paying social security, unemployment, and any other taxes required by law to be paid on behalf of its employees. Unless required by applicable statute, rule, court or administrative

decision, or an Attorney General's opinion, NPFE shall not make payments to the Michigan Public School Employees' Retirement System ("MPSERS") or any other public retirement system on behalf of the worksite staff.

F. Criminal Background Checks. NPFE acknowledges and agrees that the System is subject to Michigan Public Act 84 of 2006, as amended (hereafter "**PA 84 of 2006**"), and NPFE shall have its agents, employees, representatives, or agents, employees or representatives of its subcontractor, who will be regularly and continuously performing services on the System's premises, fingerprinted and subjected to criminal history and background checks through the Michigan State Police and Federal Bureau of Investigation, as detailed in PA 84 of 2006, within the timelines required by law. NPFE further agrees to provide the System with a copy of all fingerprinting and criminal history background reports promptly upon receipt of same. Additionally, NPFE represents and warrants to the System that it will at all times during the term of this Agreement comply with the provisions of PA 84 of 2006, including, but not limited to, reporting to the System within 3 business days of when it, or any of its agents, employees, representatives, or subcontractors' employees who will be regularly and continuously employed on the System's premises, is/are charged with a crime listed in Section 1535a(1) or 1539b(1) of the Code, being MCL 380.1535a(1) and 380.1539b(1), a substantially similar law, or other crimes required to be reported under PA 84 of 2006, and to immediately report to the System if that person is subsequently convicted, pleads guilty or pleads no contest to that crime.

NPFE shall likewise conduct or be responsible for, or cause its subcontractor on behalf of the System, to conduct unprofessional conduct checks required by MCL 380.1230b.

The parties agree that the System shall be responsible for all costs associated with the criminal history checks, criminal records checks, and unprofessional conduct checks required pursuant to the terms of this Agreement, which are accomplished in order to comply with Sections 1230, 1230a and 1230b of the Code and all costs associated with compliance with this section of the Agreement.

The System agrees to reasonably cooperate with NPFE and its subcontractor in the discharge of NPFE's responsibilities under this section.

G. Training. NPFE shall be responsible for ensuring that all worksite staff assigned to work at the System including, the Principal, Assistant Principal(s), teachers and paraprofessionals, receive training required by law and which is consistent with the System's mission, either by NPFE or its subcontractor.

H. Basic Instructional Supplies. NPFE shall insure, provided sufficient revenues are allocated therefore in the Budget adopted by the System Board, that the worksite staff, including the Principal, Assistant Principal(s), teachers and other instructional staff have access to those basic educational supplies necessary to deliver the Educational Program and shall establish a procedure for the Worksite Staff to present claims that basic educational supplies are not being provided. Disputes that have not been resolved by NPFE shall be presented to the Board for final resolution.

ARTICLE VIII TERMINATION OF AGREEMENT

A. Termination by the System for Cause. This Agreement may be terminated by the System for cause prior to the end of the term specified in this Agreement in the event that NPFE should fail to remedy a material breach within a period reasonable under the circumstances, which shall not be longer than thirty (30) days after notice from the System. Material breach may include, but is not limited to, a failure to carry out its responsibilities under this Agreement such as a failure to make required reports to the System Board, failure to account for its expenditures or to pay operating costs (provided funds are available to do so), or failure to meet or make appropriate progress towards meeting the outcomes stated in this Agreement and the Contract (which failure is not attributable to the System Board); a violation of the Contract or of applicable law and any action or inaction by NPFE that places the Contract in reasonable jeopardy of revocation, termination or suspension as discussed above. In order to terminate this Agreement for cause, the System Board is required to provide NPFE with written notification of the facts it considers to constitute material breach. NPFE has not less than thirty (30) days after written notice from the System to remedy this breach. After the period to remedy the material breach has expired, the System Board may terminate this Agreement by providing NPFE with written notification of termination.

B. Termination by NPFE for Cause. This Agreement may be terminated by NPFE for cause prior to the end of the term specified in this Agreement in the event the System fails to remedy a material breach within a period reasonable under the circumstances, which shall not be longer than thirty (30) days after notice from NPFE. Material breach may include, but is not limited to, a failure to carry out its responsibilities under this Agreement such as a failure to make payments to NPFE as required by this Agreement or a failure to give consideration to the recommendations of NPFE regarding the operation of the System; a violation of the Contract or of applicable law. In order to terminate this Agreement for cause, or upon suspension or revocation of the Contract which NPFE reasonably determines is not capable of resolution, NPFE is required to provide the System Board with written notification of the facts it considers to constitute material breach and provide the System with thirty (30) days to remedy this breach. After the period to remedy the material breach has expired, NPFE may terminate this Agreement by providing the System Board with written notification of termination. In addition, NPFE may terminate this Agreement with cause prior to the expiration of the Term in the event the System fails to adopt reasonable recommendations regarding the personnel, curriculum, educational program, operations and financials inconsistent with the professional recommendations of NPFE.

C. Revocation or Termination of Contract.

(a) If the System's Contract issued by The Board of Education of the School District of the City of Muskegon Heights is revoked or terminated, this Agreement shall automatically terminate on the effective date of the revocation or termination of the Contract without further action of the parties.

(b) The System shall pay to NPFE all amounts due and owing for services provided up to the date of termination and, on a per-diem basis, for any services that NPFE, in its sole discretion, elects to provide to the System following termination. The System shall also

provide in any dissolution plan for the compensation of NPFE for any services which NPFE may perform as part of the dissolution process.

D. Termination by Either Party Without Cause. If NPFE and the System Board are unable to agree on educational programs, curriculum or other educational policies that affect the System in a significant way, either party may elect to terminate the Agreement at the end of a school year, provided that the terminating party gives the other party written notification of termination at least ninety (90) calendar days prior to the termination date and provides the other party with an opportunity within that period to negotiate an agreement on the educational policies at issue.

E. Change in Law. If any federal, state or local law or regulation, or court decision has a material adverse impact on the ability of either party to carry out its obligations under this Agreement, then either party, upon written notice, may request renegotiation of the Agreement. If the parties are unable or unwilling to renegotiate the terms within thirty (30) days after the notice, the party requiring the renegotiation may terminate this Agreement upon thirty (30) days further additional written notice.

F. Effective Date of Termination. In the event this Agreement is terminated by either party prior to the end of the term specified in this Agreement, absent unusual and compelling circumstances, the termination will not become effective until the end of that school year.

G. Rights to Property Upon Termination. Upon termination of this Agreement all equipment, whether purchased by the System or by NPFE with state school aid funds or other funds secured by the System, shall remain the exclusive property of the System. NPFE shall have the right to reclaim any usable property or equipment (e.g., including, but not limited to, desks, computers, copying machines, fax machines, telephones) that were purchased by NPFE with NPFE funds. Fixtures and building alterations shall not become the property of NPFE.

H. Transition. In the event of termination of this Agreement for any reason by either party prior to the end of the Agreement's term, NPFE shall provide the System reasonable assistance for up to 90 days after the effective date of the termination to allow a transition to another education service provider, provided the System pays NPFE a reasonable per-diem rate negotiated at the time of transition.

Notwithstanding any of the foregoing, upon the expiration or any termination hereof, all accrued but unperformed obligations of a party shall remain such obligor party's continuing legal obligation until fully performed or waived in writing by the other party. All representations, warranties, and indemnities made in this Agreement shall survive termination of this Agreement.

I. Amendment Caused By System Site Closure or Reconstitution. In the event that the System is required (i) to close an System site pursuant to a notice issued by the State School Reform/Redesign Officer under Section 507 of the Code, MCL 380.507; or (ii) to undergo a reconstitution pursuant to Section 507 of the Code, MCL 380.507, and of the Contract Terms and Conditions, and such closure of an System site or reconstitution causes an amendment to or termination of this Agreement, the parties agree that this Agreement shall be amended or terminated to implement the System site closure or reconstitution, with no cost or penalty to the System, and NPFE shall have no recourse against the System or The District Board for

implementing such site closure or reconstitution. Notwithstanding the foregoing, in the event this Agreement is terminated pursuant to the preceding sentence, all fees earned to the date of termination and expended on behalf of the System will become due and immediately payable.

ARTICLE IX PROPRIETARY INFORMATION

A. Confidential Information and Proprietary Rights. The parties hereby agree and acknowledge that, in the course of performing this Agreement, certain confidential information or trade secrets, including, but not limited to, know-how, curriculum design and implementation, operational techniques, technical information, computer software, training materials, training methods and practices, all of which are considered to be confidential in nature (the “**Confidential Information**”) may be disclosed to one another. The parties therefore agree, subject to the requirements and/or limitations of the Contract, MCL 380.502(3), the Freedom of Information Act or any other applicable law, that any Confidential Information communicated to or received or observed by a party hereto shall be in confidence and not disclosed to others or used for such party’s benefit without the prior written consent of the other party. In addition, all Confidential Information disclosed to or observed or received by a party shall at all times remain the property of such party, and all documents, together with any copy or excerpt thereof, shall be promptly returned to such party upon request. The parties acknowledge and agree that this provision shall survive the termination or expiration of this Agreement.

The parties acknowledge and agree that the System owns all proprietary rights to curriculum, educational, or operational materials that are developed and/or paid for by the System; except that NPFE owns all curriculum, educational and operational materials developed by NPFE and all curriculum, educational and operational materials developed by its curriculum partners are the property of that subcontractor. Notwithstanding the foregoing, educational materials and teaching techniques used by the System may be subject to disclosure under the Revised School Code, the Contract or the Michigan Freedom of Information Act to the extent required thereby.

ARTICLE X INDEMNIFICATION

A. Indemnification of NPFE. To the extent permitted by law, the System shall indemnify and hold NPFE (which term for purposes of this Paragraph A, includes NPFE’s officers, directors, and employees) harmless against any and all claims, demands, suits, or other forms of liability that may arise out of, or by reason of, any noncompliance by the System with any agreements, covenants, warranties, or undertakings of the System contained in or made pursuant to this Agreement unless caused by NPFE; and any misrepresentation or breach of the representations and warranties of the System Board contained in or made pursuant to this Agreement. In addition, to the extent permitted by law, the System shall reimburse NPFE for any and all legal expenses and costs associated with the defense of any such claim, demand, or suit. The indemnification requirements of this paragraph may be met by the purchase of insurance in a form and amount acceptable to NPFE.

B. Limitations of Liabilities. The System may assert all immunities and statutory limitations of liability in connection with any claims arising under this Agreement, including, but not limited to, its assertion of governmental immunity.

C. Indemnification of the System. NPFE shall indemnify and hold the System (which term for purposes of this Paragraph C, includes the System's officers, directors, board members, agents and employees) harmless against any and all claims, demands, suits, or other forms of liability that may arise out of, or by reason of, any noncompliance by NPFE or its subcontractors with any agreements, covenants, warranties, or undertakings of NPFE contained in or made pursuant to this Agreement, including any and all employment related claims, demands or suits by NPFE or its subcontractors' employees, former employees or applicants; and any misrepresentation or breach of the representations and warranties of NPFE contained in or made pursuant to this Agreement. In addition, the NPFE shall reimburse the System for any and all legal expenses and costs associated with the defense of any such claim, demand, or suit. The indemnification requirements of this paragraph may be met by the purchase of insurance in a form and amounts acceptable to the System.

D. Indemnification for Negligence. To the extent permitted by law, the System shall indemnify and hold harmless NPFE and its subcontractors, Board of Directors, partners, officers, employees, agents and representatives, from any and all claims and liabilities which NPFE may incur and which arise out of the negligence of the System's Board of Directors, officers, employees, agents or representatives. NPFE shall indemnify and hold harmless the System, and the System's Board of Directors, officers, employees, agents or representatives, from any and all claims and liabilities which the System may incur and which arise out of the negligence of NPFE's directors, officers, employees, agents or representatives, or subcontractors.

E. Indemnification of The District Board. The parties acknowledge and agree that The District Board and its members, officers, employees, agents or representatives are deemed to be third party beneficiaries for purposes of this Agreement. As third party beneficiaries, the parties hereby promise to indemnify and hold harmless The District Board, and its members, officers, employees, agents or representatives from all claims, demands, or liability, including attorney fees, and related expenses, on account of injury, loss or damage, including, without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage or any other losses of any kind whatsoever and not caused by the sole negligence of The District Board, which arise out of or are in any manner connected with The District Board's approval of the charter application, The District Board's consideration of or issuance of a Contract, the System's preparation for and operation of a public school, or which are incurred as a result of the reliance by The District Board and its officers, employees, agents or representatives upon information supplied by the System or NPFE, or which arise out of the failure of the System to perform its obligations under the Contract issued to the System by The District Board. The parties expressly acknowledge and agree that The District Board and its officers, employees, agents or representatives may commence legal action against either party to enforce its rights as set forth in this Agreement.

ARTICLE XI INSURANCE

A. Insurance of the System. The System shall maintain insurance coverage in the amounts required by the Contract, including the indemnification of NPFE provided by this Agreement. In the event that the insurance carrier for the Authorizer requests changes in the coverage identified in the Contract, the System agrees to comply within thirty (30) days after written notice of the insurance coverage change. The System shall, upon written request, present evidence to NPFE that it maintains the requisite insurance in compliance with the provisions of this paragraph. NPFE shall comply with any information or reporting requirements applicable to the System under the System's policy with its insurer(s) or the Contract.

B. Insurance of NPFE. NPFE shall secure and maintain general liability insurance with the System listed as an additional insured. NPFE shall maintain insurance coverage in an amount and on such terms as are reasonably acceptable to the System Board and as required by the Contract, including the indemnification of the System provided by this Agreement. NPFE shall, upon written request, present evidence to the System that it maintains the requisite insurance in compliance with the provisions of this paragraph. The System shall comply with any information or reporting requirements applicable to NPFE under NPFE's policy with its insurer(s).

C. Workers' Compensation Insurance. Each party shall maintain workers' compensation insurance when and as required by law, covering their respective employees, if any. Any subcontractor of the System or NPFE must maintain workers' compensation insurance as required by law, covering their respective employees.

D. Other Insurances. Each party shall obtain Employer Practices Liability Insurance that does not exclude abuse, sexual molestation or sexual harassment. In addition, each party agrees to obtain a policy of general liability insurance for a minimum coverage of One Million Dollars (\$1,000,000.00) per occurrence and Two Million Dollars (\$2,000,000.00) in the aggregate and to be responsible for the payment of any deductible under the Policy(ies). The parties agree that any contract with a subcontractor shall contain similar insurance requirements.

E. Additional Insureds. Each party shall be named as an Additional Insured under all applicable policies to the extent permitted under the policies of insurance. All policies of insurance required herein shall provide that all additional insureds shall be notified in writing at least thirty (30) days prior to the modification or cancellation of any such policy and each party, to the extent reasonable, shall comply with the information and/or reporting requirements of the other's insurers.

ARTICLE XII WARRANTIES AND REPRESENTATIONS

A. System Warranties and Representations. The System Board represents that on behalf of and in the name of the System, it has the authority under law to execute, deliver and perform this Agreement and to incur the obligations provided for under this Agreement. The System Board warrants that its actions have been duly and validly authorized, and that it will adopt any and all resolutions or expenditure approvals required for execution of this Agreement.

B. NPFE Warranties and Representations. NPFE warrants and represents that it is a corporation in good standing and is authorized to conduct business in the State of Michigan. NPFE will comply with all registration and licensing requirements relating to conducting business under this Agreement..

C. Mutual Warranties. The System and NPFE mutually warrant to the other that there are no pending actions, claims, suits or proceedings, to its knowledge, threatened or reasonably anticipated against or affecting it, which adversely determined, would have a material adverse effect on its ability to perform its obligations under this Agreement.

ARTICLE XIII MISCELLANEOUS

A. Force Majeure. Notwithstanding any other provision of this Agreement, neither party shall be liable for any delay in performance or inability to perform due to acts of God or due to war, riot, embargo, fire, explosion, sabotage, flood, accident, labor strike, or other acts beyond its reasonable control.

B. Notices. All notices, demands, requests and consents under this Agreement shall be in writing, shall be delivered to each party, and shall be effective when received by the parties or mailed to the parties at their respective addresses set forth below, or at such other address as may be furnished by a party to the other party:

If to NPFE: New Paradigm for Education
 1903 Wilkins
 Detroit, MI 48207
 Attn: Ralph Bland

With a copy to: Ann Vanderlaan
 Clark Hill PLLC
 500 Woodward Ave, Suite 3500
 Detroit, MI 48226

If to the System: Board President
 Muskegon Heights Public School Academy System
 2441 Sanford St.
 Muskegon Heights, MI 49444

With a copy to: Robert Gavin
 Shifman & Carlson, PC
 34705 W. Twelve Mile Road, Suite 160
 Farmington Hills, MI 48331
 rgavin@shifmancarlsonlaw.com

C. Severability. The invalidity of any of the covenants, phrases or clauses in this Agreement shall not affect the remaining portions of this Agreement, and this Agreement shall be construed as if such invalid covenant, phrase or clause had not been contained in this Agreement.

D. Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the parties and their respective successors and assigns.

E. Entire Agreement. This Agreement is the entire agreement between the parties relating to the services provided, and the compensation for such services, by the parties and supersedes and replaces any prior Management Services Agreement between the parties, and the parties shall have no further rights or obligations under that agreement. Any modification to this Agreement must be made in writing, approved by the System Board and NPFE, and signed by a duly authorized officer. In addition, any modification to this Agreement must be submitted to The District Board prior to execution.

F. Non-Waiver. No failure of a party in exercising any right, power or privilege under this Agreement shall affect such right, power or privilege, nor shall any single or partial exercise thereof preclude any further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies of the parties under this Agreement are cumulative and not exclusive of any rights or remedies which any of them may otherwise have.

G. No Assignment. Neither party may, without the prior written consent of the other party, assign or transfer this agreement nor any obligation incurred hereunder and any attempt to do so in contravention of this Agreement shall be void and of no force and effect.

H. Partial Invalidity. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable in any manner, the remaining provisions of this Agreement shall nonetheless continue in full force and effect without being impaired or invalidated in any way. In addition, if any provision of this agreement be modified by a court of competent jurisdiction such that it may be fully enforced, then that provision shall be fully enforced as modified.

I. Governing Law. This Agreement shall be governed by and enforced in accordance with the laws of the State of Michigan.

J. Delegation of Authority. Nothing in this Agreement shall be construed as delegating to NPFE any of the powers or authority of the System Board that are not subject to delegation by the System Board under Michigan law or the Contract.

K. Compliance with Law. The parties agree to comply with all applicable laws and regulations.

L. Warranties and Representations. Both the System and NPFE represent that each has the authority under law to execute, deliver and perform this Agreement and to incur the obligations provided for under this Agreement, that its actions have been duly and validly authorized, and that it will adopt any and all resolutions or expenditure approvals required for execution of this Agreement.

M. Condition precedent. Notwithstanding anything in this Agreement to the contrary, the parties expressly agree and acknowledge that the effectiveness of this Agreement is expressly contingent upon the condition precedent that the Contract issued by the Authorizer to the System has been duly executed, delivered and continued by reauthorization or other effective process at all material times.

N. Unusual Events. The System and NPFE agree to immediately notify the other of any known or threatened health, safety or other event or incident, of any anticipated or known labor, employee or funding problems or any other problems or issues that could adversely affect the performance of this Agreement by either party.

O. Dispute Resolution Procedure. Any and all disputes between the parties concerning any alleged breach of this Agreement or arising out of or relating to the interpretation of this Agreement or the parties' performance of their respective obligations under this Agreement that are unable to be resolved through discussion and negotiation shall be resolved by arbitration, and such an arbitration procedure shall be the sole and exclusive remedy for such matters. The arbitrator shall be selected from a panel provided by and in accordance with the rules of the American Arbitration Association. The arbitration shall be conducted in accordance with the rules of the American Arbitration Association, with such variations as the parties and the arbitrator unanimously accept. Any arbitration hearing shall be conducted in southeastern Michigan as mutually agreed by the parties. A judgment on the award rendered by the arbitrators may be entered in any court having appropriate jurisdiction. The cost of arbitration, not including attorney fees, shall be split by the parties. Each party shall pay its own attorney fees and costs of experts. Notwithstanding the foregoing, nothing in this Section shall bar a party from seeking temporary, preliminary, or permanent injunctive relief from a court of competent jurisdiction in emergency circumstances, including, but not limited to, the revocation of the Charter Contract. NPFE and the System Board agree that the arbitrability of those circumstances governed by the preceding provision may be decided by a court of competent jurisdiction.

P. Modification to Conform to Change The District Board Policies. The parties intend that this Agreement shall comply with all of The District Board's requirements and policies applicable to educational service providers, as the same may be amended or changed from time to time. In the event that changes in The District Board's requirements or policies applicable to educational service providers implemented after the date of execution of this Agreement cause any provision of this Agreement to be in conflict with the revised policies, the parties agree to amend this Agreement to eliminate the conflict within thirty (30) days after being advised by The District Board of the changes to its policies.

Q. Execution and Delivery. Each party represents and warrants to the other that it has undertaken all necessary corporate or organizational actions required to give it full power, authority and right to execute, deliver and perform its obligations under this Agreement and, that the individual signing this Agreement on its behalf is authorized to do so pursuant to its governing documents.

[Remainder of page intentionally left blank].

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed and delivered as of the date first above written.

**MUSKEGON HEIGHTS PUBLIC SCHOOL
ACADEMY SYSTEM**
a Michigan public school academy

By: Leslie Kitchen-Slater
Name: Leslie Kitchen-Slater
Its: Board President

NEW PARADIGM FOR EDUCATION, INC.,
a Michigan corporation

By: Ralph Bland
Name: Ralph Bland
Its: President and CEO



Completed Document Audit Report
Completed with SignWell.com







Title: NPFE Management Agreement - MHPSAS Execution Copy

Document ID: 89403646-5dad-42c5-8b07-abe54cf3db89

Files

NPFE Management Agreement - MHPSAS Execution Copy.pdf	Jul 22, 2022 16:46:02 UTC
MHPSAS Letter to Admins to report to NPFE.docx	Jul 22, 2022 16:46:45 UTC

Activity

 Shifman & Carlson, P.C. IP: 104.59.13.153	created the document	Jul 22, 2022 16:47:29 UTC
 Shifman & Carlson, P.C.	sent the document to ralph@npfenow.org and lslater@mhtigers.org	Jul 22, 2022 16:48:47 UTC
 Leslie Kitchen-Slater IP: 172.58.122.242	first viewed document	Jul 22, 2022 20:14:09 UTC
 Leslie Kitchen-Slater IP: 172.58.122.242	signed the document	Jul 22, 2022 20:14:51 UTC
 Ralph Bland IP: 104.1.184.97	first viewed document	Jul 26, 2022 00:46:55 UTC
 Ralph Bland IP: 104.1.184.97	signed the document	Aug 02, 2022 05:35:50 UTC